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June 15, 2007

VIA HAND DELIVERY

Mr. Charles L.A. Terreni  
Chief Clerk/Administrator  
South Carolina Public Service Commission  
101 Executive Center Dr., Suite 100  
Columbia, SC 29210

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COMMISSION

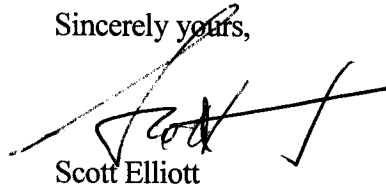
RE: Petition of the Office of Regulatory Staff for a Rule-Making Proceeding to Examine the Requirements and Standards to Be Used by the Commission When Evaluating Applications for Eligible Telecommunications Carrier (ETC) Status and When Making Annual Certification of ETC Compliance to the Federal Communications Commission  
Docket No. 2006-37-C

Dear Mr. Terreni:

United Telephone Company of the Carolinas d/b/a Embarq and Embarq Communications, Inc., the Office of Regulatory Staff and Alltel Communications, Inc. (collectively, the "Group") file the enclosed comments regarding the proposed regulations developed by the Public Service Commission of South Carolina ("Commission") These regulations pertain to the reporting requirements for all eligible telecommunications carriers ("ETCs") in South Carolina.

Please file the extra copy of this letter and return to me via my courier. If I can be of assistance, please call me at your convenience.

Sincerely yours,



Scott Elliott

SE/jcl

Enclosures

cc: All Parties of Record  
H. Edward Phillips, Esq.

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BEFORE THE  
PUBLIC SERVICE COMMISSION

OF SOUTH CAROLINA

Docket No. 2006-37-C

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In Re: )  
)  
Petition of the Office of Regulatory Staff for a )  
Rule-Making Proceeding to Examine the )  
Requirements and Standards to be Used by the )  
Commission When Evaluating Applications for )  
Eligible Telecommunications Carrier (ETC) Status )  
and When Making Annual Certification of ETC )  
Compliance to the Federal Communications Commission )

COMMENTS OF UNITED TELEPHONE COMPANY OF THE  
CAROLINAS D/B/A EMBARQ, EMBARQ COMMUNICATIONS, INC., OFFICE OF  
REGULATORY STAFF and ALLTEL COMMUNICATIONS, INC.  
CONCERNING ETC REPORTING GUIDELINES

On May 25, 2007, the Public Service Commission of South Carolina ("Commission") held a workshop to solicit commentary from interested parties respecting the reporting requirements contained in the Commission's proposed rules for eligible telecommunications carriers ("ETCs"). At that workshop, it was established that any interested party file comments in this docket concerning what reporting standards the Commission should adopt by June 15, 2007. Pursuant to the Commission's directive, United Telephone Company of the Carolinas d/b/a Embarq and Embarq Communications, Inc., the Office of Regulatory Staff and Alltel Communications, Inc. (collectively, the "Group") respectfully submit the following comments for consideration.

As a result of attending the May 25<sup>th</sup> workshop in this docket, the Group has made some minor revisions to its suggested reporting requirements under proposed Rule Section 103-690.2;

these revisions are attached as Attachment A. The modifications that were made appear in red-line format in subsections (b), (c) and (d) of proposed Rule Section 103-690.2. These revisions address concerns raised by some of the wireless carriers in attendance and the coalition representing rural local exchange carriers in South Carolina. The latest revisions attempt to balance more precisely what should be expected from competitive eligible telecommunications carriers (“C-ETCs”) and existing ETCs. Also, it is important to note that a balance was struck on reporting requirements between existing ETCs that receive high-cost support and those ETCs that do not. The revisions also take into account when information is available to C-ETCs, and adjusts the reporting requirements under subsection (c) accordingly. In addition, the revisions also establish the quality commitments that should be made by C-ETCs serving customers in the State.

The Group believes that its efforts to revise the proposed reporting requirements in Attachment A provide for a genuine balance between existing ETCs—companies that have long-established records of providing quality service in South Carolina--and those carriers that may be designated as C-ETCs. First, under subsection (b) of proposed Rule Section 103-690.2, the Group in reaching consensus agreed to modify its position that only ETCs receiving high-cost support should be required to report to the Commission and the ORS the expenditures made by the ETC to build-out its network if needed, to maintain the network; and expenditures made to repair and improve the network on an aggregate basis for its entire service area, including an explanation of how much universal service support was received and how it was used.

Secondly, under subsection (d) of proposed Rule Section 103-690.2 the Group’s revisions attempt to ensure that ETCs and C-ETCs adhere to specific quality standards established by the Commission under Commission Rules 103-663, 103-618A, 103-619(a) and (e) and Section 103-

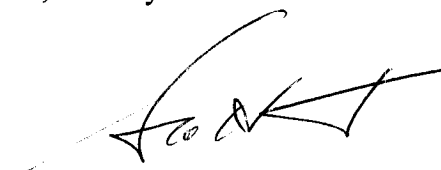
661(c). By establishing a requirement that C-ETCs commit to wireless industry quality of service standards or agree to be bound by South Carolina quality of service standards found under Commission Rule Section 103-663, the Group believes that C-ETCs will make necessary expenditures within the State to improve service quality. In addition, the suggested revisions also take much needed steps toward regulatory parity between all eligible telecommunications carriers in the State.

In addition, adding the requirement for compliance with Commission Rule Sections 103-618A, 103-619(a) and (e) and Section 103-661(c) by C-ETCs further reinforces some level of parity and ensures that USF support will be used to improve the networks of all C-ETCs. That is, C-ETCs that provide service to high-cost areas as required under the proposed certification standards will also be required to ensure that such service is provided in a quality manner. As to the changes made to subsection (c) of proposed Rule Section 103-690.2, the change concerning the availability of data is straight forward and does not require additional explanation. This revision was suggested by Sprint Nextel's representative at the May 25<sup>th</sup> Workshop.

The Group respectfully requests that Commission adopt its revised reporting requirements found in Attachment A. The reporting requirements set forth by the Group will provide some level of regulatory parity between ETCs and C-ETCs as well as provide ample incentives to C-ETCs to invest in their networks while receiving USF support. Thus, the Group believes that the reports required to be filed by C-ETCs under the proposed guidelines in Attachment A will ensure that such carriers serve even the high cost areas in their designated service territories, which is the purpose of USF support. Finally, the Group notes that no revisions were made to proposed Rule Sections 103-690.3 and 103-690.4 which are also included in Attachment A.

WHEREFORE, based on the foregoing, United Telephone Company of the Carolinas d/b/a Embarq and Embarq Communications, Inc. the Office of Regulatory Staff and Alltel Communications, Inc. respectfully request the Public Service Commission of South Carolina adopt the attached proposed rules as the standard reporting requirements for all eligible telecommunications carriers in the State of South Carolina.

Respectfully submitted on this 15<sup>th</sup> day of June, 2007 by:



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## **ATTACHMENT A**

### **103-690.2 Annual reporting requirements for designated eligible telecommunications carriers.**

- (a) All common carriers designated under section 214(e)(2) as eligible telecommunications carriers after June 30, 2006 shall provide; with the exception of the reporting requirements set forth in subsection (b), the following:
- (1) a progress report on its two-year service quality improvement plan, including maps detailing its progress towards meeting its plan targets, network build-out in high-cost areas, an explanation of how much universal service support was received and how it was used to improve signal quality, coverage, or capacity, and an explanation regarding any network improvement targets that have not been fulfilled. The information shall be submitted at the wire center level;
  - (2) detailed information on any outage, as that term is defined in 47 C.F.R. § 4.5, of at least 30 minutes in duration for each service area in which an eligible telecommunications carrier is designated for any facilities it owns, operates, leases, or otherwise utilizes that potentially affect (a) at least ten percent of the end users served in a designated service area; or (b) a 911 special facility, as defined in 47 C.F.R. § 4.5(e). Specifically, the eligible telecommunications carrier's annual report must include information detailing: (a) the date and time of onset of the outage; (b) a brief description of the outage and its resolution; (c) the particular services affected; (d) the geographic areas affected by the outage; (e) steps taken to prevent a similar situation in the future; and (f) the number of customers affected;
  - (3) the number of requests for service from potential customers within the eligible telecommunications carrier's service areas that were unfulfilled during the past year. The carrier shall also detail how it attempted to provide service to those potential customers;
  - (4) the number of complaints or trouble reports per 100 handsets or access lines;
  - (5) certification that it is complying with applicable service quality standards and consumer protection rules;
  - (6) certification that the carrier is able to function in emergency situations;
  - (7) certification that the carrier is offering a local usage plan comparable to that offered by the incumbent LEC in the relevant service areas and is serving customers in its high-cost areas;
  - (8) certification that the company is not engaging in creamskimming and a population density analysis or other evidence to support this claim;

- (9) certification that the carrier acknowledges that it may be required to provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the service area;
  - (10) the number of Lifeline customers and the number of customers that received Link Up assistance as of Dec 31<sup>st</sup> of the prior year; and
  - (11) copies of responses to the Lifeline Verification Survey or Certification filed with Universal Service Administrative Company on August 31 of each year.
- (b) All carriers classified as ETCs prior to June 30, 2006 that receive high cost support shall report to the Commission and the ORS the expenditures made by the ETC to build-out network if needed, to maintain the network; and expenditures made to repair and improve the network on an aggregate basis for its entire service area, including an explanation of how much universal service support was received and how it was used.
- (c) *Filing deadlines.* In order for a common carrier designated under section 214(e)(2) to continue to receive support for the following calendar year, or retain its eligible telecommunications carrier designation, it must submit the annual reporting information in paragraphs (a) and (b) no later than June 30 of each year. The information provided should cover the previous twelve (12) month period ending December 30<sup>th</sup>. The ORS shall review each ETC annual report and notify the Commission as to whether the carrier is in compliance with federal and state regulations and rules. The Commission shall determine based upon the information provided to it whether the carrier is in compliance with federal and state regulations and rules and shall notify the Federal Communications Commission and the Universal Service Administration Company of each company's compliance by October 1 of the reporting year thereby ensuring that each ETC designated by the Commission is authorized to receive federal support for the upcoming fiscal year.
- (d) Upon request by any ETC designated after June 30, 2006, the Commission may terminate these reporting requirements if the petitioning ETC has met all of the requirements set forth in these rules within the previous 3 years. If such waiver is granted, the petitioning ETC will be required to meet the reporting requirements set forth under section 103-690.2(b). Reports must also contain a commitment by wireless applicants to comply with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service as of May 18, 2007 or a commitment by other ETCs that they meet the service quality standards outlined in section 103-663. In addition, ETCs not regulated by the Commission must report on the following regulations: 103-618A – Trouble Reports per hundred access lines; 103-619 (a) & (e) – Held Applications/Availability of Service; 103-661(c) – Interruption of Service.

### **103-690.3 Newly designated eligible telecommunications carriers.**

- (a) Once a carrier is designated as eligible to receive support the Commission shall file the certification with the Federal Communications Commission and the Administrator within 60 days of that effective date of its designation as an eligible telecommunications carrier.



(b) Thereafter, the ETC must submit the data required in 103-690.2(b) by August 1 and the Commission shall file the certification with the FCC and the Administrator by October 1.

**103-690.4 ETC Requirements for Lifeline and Link Up Services**

- (a) ETCs shall offer Lifeline service in the designated service area to all qualifying low-income consumers in accordance with the federal lifeline service guidelines as follows:
- (1) ETCs shall advertise the availability of Lifeline service in a manner reasonably designed to reach those likely to qualify for the service.
  - (2) ETCs shall commit to offer toll limitation to all qualifying low-income consumers at the time such consumers subscribe to Lifeline service. If the consumer elects to receive toll limitation service, that service becomes part of that consumer's Lifeline service.
  - (3) ETCs may not collect a service deposit in order to initiate Lifeline service if the qualifying low-income consumer voluntarily elects toll limitation service from the carrier where available.
  - (4) ETCs shall verify twice a year that its Lifeline customers meet the program qualification.
  - (5) ETCs shall notify Lifeline subscribers a minimum of 30 days prior to termination of their service if the carrier has a reasonable basis to believe that the subscriber no longer meets the Lifeline qualifying criteria.
  - (6) ETCs shall not charge Lifeline customers a monthly number- portability charge.
  - (7) ETCs shall provide copies of responses to the Lifeline Verification Survey or Certifications filed with Universal Service Administrative Company on August 31 of each year.
- (b) ETCs shall offer Linkup service in the designated service area to all qualifying low-income consumers, in accordance with the following guideline:
- (1) ETCs shall advertise availability of Link Up service in a manner reasonably designed to reach those likely to qualify for the service, and shall provide a reduction of the customary charge for connecting telecommunications service for a single line at the consumer's principle place of residence. The reduction shall be half of the customary charge, or \$30, whichever is less.

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CERTIFICATE OF SERVICE

The undersigned employee of Elliott & Elliott, P.A. does hereby certify that she has served below listed parties with a copy of the pleading(s) indicated below by mailing a copy of same to them in the United States mail, with sufficient postage affixed thereto and return address clearly marked on the date indicated below:

RE: Petition of the Office of Regulatory Staff for a Rule-Making Proceeding to Examine the Requirements and Standards to be Used by the Commission When Evaluating Applications for Eligible Telecommunications Carrier (ETC) Status and When Making Annual Certification of ETC Compliance to the Federal Communications Commission

DOCKET NO.: 2006-37-C

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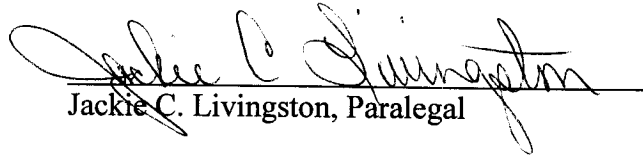
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PLEADING:

Comments of United Telephone Company of the Carolinas d/b/a Embarq  
and Embarq Communications, Inc., the Office of Regulatory Staff and  
Alltel Communications, Inc.



Jackie C. Livingston, Paralegal

June 15, 2007